Ministerie van Buitenlandse Zaken



Food Security

Organisation	Date	Reporting Period
Embassy of the Kingdom of the Netherlands, Nairobi (Kenya)		2014

Activity		2014	Implemented by		Rio marker		Gender marker
Number	Name	Actual expenditure	Name Organisation	channel	mitigation/adaptation	significant/principal	significant/principal
24073	NAI-Kenya Market Dairy Prog	1.203.478,00	SNV	NGO	Adaptation	Significant	Significant
23131	NAI Horticulture value chain	1.201.053,59	Solidaridad	NGO	Adaptation	Significant	Significant
23998	NAI KENYA MAP	1.185.537,42	Kenya Markets Trust	NGO	Adaptation	Significant	Significant
23132	Seed Potato Development	472.822,00	WUR/CDI	Research institute and comp	Adaptation	Significant	Not applicable
25759	NAI Finance for Agriculture (F4A)	1.502.335,54	Financial Access	PPP or network	Adaptation	Significant	Not applicable

Activity		2014	Implemented by		Rio marker		Gender marker
Number	Name	Actual expenditure	Name Organisation	channel	mitigation/adaptation	significant/principal	significant/principal
25015	NAI ASSIP-K Project	88.579,52	Kephis	Government	Not applicable	Not applicable	Not applicable
24846	KICP II	456.000	IFC (FIAS)	Multilateral organization	Not applicable	Not applicable	Not applicable
23210	Transparency International	373.100	TI-Kenya	NGO	Not applicable	Not applicable	Not applicable
25765	Unlocking Agricultural Potential	403.075,65	EGF	NGO	Adaptation	Significant	Significant
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...
				...	...	...	...

Result Area 1	Increase in sustainable food production					
Result Question 1.1a: How large has the increase in food production been?	Food production is to a large extent dominated by semi-subsistence agriculture, informal marketing and (for cereals) inefficient parastatal marketing boards. Food production of most reported commodities recorded reduced production in 2014. Erratic rains with some regions experiencing depressed rainfall resulted in decreased production for some crops, as well as, pasture availability for livestock. Maize production decreased by 4.2%. Whereas production of beans also declined by 13.9%. Potato production recorded an increase, however production of this crop is yet to achieve the high production levels realised five years ago. The quantity of raw milk delivered to processors continued to increase, which saw a marginal increase, by 3.1% of fresh milk and cream outputs from processors.					
	Baseline	**Target 2017**	**Result 2012**	**Result 2013**	**Result 2014**	**Source**
Indicator 1: Beans production (1000 MT)	6400(2011)	9600(50 % incr.)	6800	7900	6800	2015 Economic Survey
Indicator 2: potato production (1000) MT	2400 (2011)	3600 (50 % incr.)	1500	2065	2300	2015 Economic Survey
Indicator 3:milk production (mn Litres) I	549.0(2011)	823.5 (50 % incr.)	495.2	523.0	541.3	2015 Economic Survey
Indicator 4: Vegetables (1000 MT)	1397(2011)	2595 (50 % incr.)	1397	2214	2214	2015 Economic Survey

Result Question 1.1b: To what extent has your programme contributed to these results? Which outputs and (intermediary) outcomes were achieved?	Kenya Market Led Dairy Programme; in 2014 worked with 3 processors and, 17 milk Collection and Bulking Enterprises(CBEs) representing 27,173 active farmers (Women and youth meet the 30% minimum requirement in CBE leadership). Milk intake was 62.1 mln litres. All 17 CBEs were staffed, had motor bikes and increased operational budget for training and extension by 34% compared to 2013. 34 model farms were identified and established at the CBE level,with the support of the programme. The programme mobilised resources to pilot a milk quality tracking and tracing & quality based milk payment project with 1 processor and 2 CBEs. Horticulture,Food Security Programme: by the end of 2014 there were 6 Business Cases (bc) receiving support from the programme; main production focus respectively comprised of; bc1 - avocados, bc2 - snow peas/sugar snaps, bc3 - french beans, bc4 - potatoes, bc5 - fruits & bc6 - chillies. 11,000 (3,000 male, 8000 female) farmers have adopted good agricultural practices and technologies to increase production, 354 producer groups have adopted measures to improve food safety and crop protection, and 80 collection centers developed contributing significantly to food loss reduction.					
	Baseline	**Target 2017**	**Result 2012**	**Result 2013**	**Result 2014**	**Source**
Indicator 1: Dutch seedpotato varieties on the market	0 (2011) Excluding 2 old open varietiess.	25	5	13	21	Progress report (note there is a technical error linking cells for results 2012 and 2013)
Indicator 2: 30 % higher intake of milk at targeted processors	0	30% increase	n.av	7% imprvment from 2012 - 2013 (56.1mln L)	10.7% imprvment from 2013 - 2014 (62.1mln L)	2013 Progress report
Indicator 3: Area under vegetable and fruits production in the horticulture programme (Ha.) ** as a proxy indicator for vegetable production	282 (2011)	1374 (2014)	320	890	3421	2013 Progress report
Indicator 4: Commercial fish-farming taken off in Kenya, # of new companies	<10	50	n.av.	8	n.av	2012 Progress report

Result Area 1	Increase in sustainable food production					
Result Question 1.2a: How has the use of land, water, energy and labour developed?	Agriculture is still mostly rainfed. Horticulture is in part an exception. Yields are not optimal. Small holder systems tend to maximise input generation at low investment levels, and are loath to adopt new technologies. This poses serious risks to sustainability. When linked to organised markets channels offering access to capital, inputs and competitive market prices, small holders have shown to produce efficiently. This is evident in the coffee, tea and dairy sectors. In 2014 fuel consumption in the agricultural sector increased by 27.7% an indication of rising mechanization in the sector. In cropping systems small holder organisation is lacking and cropping practices are unsustainable due to lack of rotation and thus appropriate soil fertility management. There is a gap between small scale farmers, whose average land holdings are decreasing and large scale commercial (often foreign owned farms). This leaves a missing middle, development of which could provide rural employment and more affordable better quality food. In 2014 there was a decrease in the number of women employed in the agricultural sector compared to the men, indicating that more still needs to be done to lower the barriers inorder that women get attracted to commercial agriculture.					
	Baseline	**Target 2017**	**Result 2012**	**Result 2013**	**Result 2014**	**Source**
Indicator 1: maize yield (MT/Ha) % of land under food production ERC	1,6 (2011)	5	1,67	1,67	n.av	FAOSTAT
Indicator 2: potato yield(MT/Ha) Indicator on Irrigation development ERC	19,2 (2011)	30	20,3	14,4	n.av	FAOSTAT
Indicator 3: formal jobs in agriculture (women)	107.200	171.520	127.800	124.700	112.700	Economic survey (2013)
Indicator 4: formal jobs in agriculture (men) No of Wage employment in	234.200	281.040	209.9000	217.800 (provisional)	220.600	Economic survey (2013)

Result Question 1.2b: To what extent has your programme contributed to these results? Which outputs and (intermediary) outcomes were achieved?	The dairy and horticulture activities are aimed at sustainable intensification of production. Under horticulture this relates to integrated soil fertility management, integrated pest management: in short Good Agricultural Practices. A corner stone for this sustainable rotation of crops. To facilitate this, farmers are increasingly linked to various marketing sources. This also reduces dependency and increases resilience. Under dairy productivity is supported by promoting access to feed and fodder, both on farm but also off farm. This also increases resilience to deal with external shock, including climatic shocks. Good animal husbandry and access to improved genetics are other elements in increasing productivity. Kenya Markets Trust has invested in better functioning of markets for input provision, with a special emphasis on the seed sector. A challenge is that many small holders lack the opportunities, liquidity and entrepreneurial focus to invest in productivity enhancing inputs and technologies. For this reason the embassy is investing in agricultural entrepreneurship of SME farmers.In particular the 'unlocking agricultural potential' project of the embassy targets to work with 2.000 medium sized farmers (5-100ha) on sustainable food production and farm management. By the end of 2014, 3.062 farmers we					
	Baseline	**Target 2017**	**Result 2012**	**Result 2013**	**Result 2014**	**Source**
Indicator 1 : # of producers or workers trained on sustainable practices (of which > 30% women)	0 (2011)	2739 (2014)	619	1,263	28,442	KMT project reports
Indicator 2: # of Community Based Enterprises in the Dairy sector with improved governance and business attitude (incl at least 30% women on the board)	0	15	9 (partially)	17	17	KMDP project reports
Indicator 3: number of small holders reached by agrovet services	0	17000	700	3.583	11.000	HFSP evaluation report
New Indicator: # of farmers male and female with increased income due to access to better inputs, market acccess and advisory services.	0	50.000 (of which 33>67% women)	n.av.	47.652	111.846	aggregate indicator of various relevant projects with available relevat information. To be improved on.

Assessment of results achieved by NL across the entire Result area 1	Increase in sustainable food production
B. Results achieved as planned Reasons for result achieved:	Activities are in the process of being implemented. The dairy programme is promissing, has increased understanding in strategic bottlenecks for dairy development, but still has to capitalise on opportunities in leveraging private sector investment. In the horticulture food security program, the business cases are supported. However there are challenges to upscale benefits beyond individual linkages - between farmers and exporters processors. On Potatoes a large number of new Dutch varieties have been allowed in the Kenyan market, however they are not yet available to farmers. In aquaculture results are below expectation due to a lack of lead firms to work with farmers.
Implications for planning:	For Dairy the programme will proceed into the third full year. Opportunities for leveraging investments are being explored, in line with this a piloting has commenced on milk quality tracking & tracing, and milk quality based payment system. The horticulture food security programme came to an end in March 2015. A succesor programme drawing lessons from the first programme is being formulated, based on the success of the Dairy programme. This will also address the potato-value chain to build on the opportunities provided by new Dutch potato varieties and a PSI project for a chips factory. For Acquaculture the decision has been taken not to continue supporting the multi donor Kenya Markets Programme, provide opportunities for the development of a Kenya Market-led Aquaculture programme to respond to opportunities created by Dutch private sector investment through PPP FDOV programme FoodTechAfrica. In further enhancing the unlocking of agricultural potential in Kenya, a project on 'Agricultural Entrepreneurship Incubator' has commenced targeting the telephone farmers. Finally a project on 'action based research and learning' is being developed which will strengthen the evidence base of the food security projects which often work on assumptions.

Result Area 2	Better access to sufficiently nutritious food					
Result Question 2.1a: How large has the increase in availability of sufficiently nutritious food been?	Gradually eating patterns are changing and diversifying. Demand for animal protein, including dairy and fish is growing. Good business opportunities exist at the base of the piramid.					
	Baseline	**Target 2017**	**Result 2012**	**Result 2013**	**Result 2014**	**Source**
Indicator 1: under 5 / under 2 nutrition status <note: use what is applicable in your situation>						
Indicator 2: post harvest losses (percentage)						
Indicator...						
Indicator...						

Result Question 2.1b: To what extent has your programme contributed to these results? Which outputs and (intermediary) outcomes were achieved?	The embassy supported value chains include; dairy, horticulture, and aquaculture.The chosen value-chains, mostly relate to nutritious foods, it is assumed that deeper, more diverse markets will contribute to lower costs and greater domestic consumption.					
	Baseline	**Target 2017**	**Result 2012**	**Result 2013**	**Result 2014**	**Source**
Indicator...						
Indicator...						
Indicator...						
Indicator...						

Assessment of results achieved by NL across the entire Result area 2	Better access to sufficiently nutritious food
B. Results achieved as planned Reasons for result achieved:	Impact of programmes on access to nutricious food are indirect, hence impact not measured.
Implications for planning:	The completed monitoring and evaluation exercise on the food security programmes has identified food loss and food safety as proxy indicators for tracking access to nutritious food. Data provided on this will be provided on the next reporting.

Result Area 3	More efficient markets and an improved business climate					
Result Question 3.1a: Did business activity and trade increase and was it inclusive?	The Kenyan economy grew with 5.3 in 2014 despite security concerns, leading to a depressed tourism sector. Due to rebasing of the economy Kenya was declared a middle income country. Due to this excercise Kenya's GDP increased to 55.2 billion US dollars in 2013 from 44.1 billion US dollars. Kenyan GDP per capita inow stands at USD 1,246 US dollars from USD 999. This rebasing has been met by scepticism as poverty and inequality remain harsh. According to the World Bank, Kenya is a follower of economic trends in Africa, not a leader. Over the last 8 years poverty has reduced from 47% to between 43% and 34%. This is unclear as there has not been a household survey since 2005. Generally Kenya has been known for its favourable business climate. Objective indicators measuring this have been slipping. Nevertheless Nairobi remains a favoured destination for multinationals to use as a regional hub. Inclusive business is an increasing reality in Kenya, because it makes business sense. The base of the piramid has increasing purchasing power. Also European markets increasingly demand safe and sustainable produce. There is however a challenge that there is and uneven playing field. The corporate Kenyan private sector is increasingly responsive to a conversation about inclusive and sustainable business. A challenge lies in the large grey and informal commercial sectors.					
	Baseline	**Target 2017**	**Result 2012**	**Result 2013**	**Result 2014**	**Source**
Indicator 1 : GDP growth rate	4,4% (2011)	7,0%	4,6%	5,7 %	5,3%	World Bank & Economic Survey 2013
Indicator 2 : Annual % change in agricultural value addition	2,4%	10,0%	2,9%	5,2%	3,5%	Annual Economic Survey (2013, 2014)
Indicator 3 : # of newly registered companies	0	5000	n.av.	n.av.		registrar of companies
Indicator 4 : Ease of doing business (rank)	109 (2011)	90	122	129	137	doing business

Result Question 3.1b: To what extent has your programme contributed to these results? Which outputs and (intermediary) outcomes were achieved?	Food security programmes are private sector develoopment orriented and based on public private cooperation.The focus lies on the nexus of trade and developement. Opportunities to link to Dutch knowledge, investments and technologies are encouraged. Trade and investment facilitation also promotes inclusive and sustainable business. Through embassy programmes, advice and brokerage services of the economic department including the office of the Agricultural Counsellor the following investments in agribusiness and agri-finance have been assisted. This includes investment in Horticulture, Agri-Fiannce, Dairy and Potatoes.					
	Baseline	**Target 2017**	**Result 2012**	**Result 2013**	**Result 2014**	**Source**
Indicator 1 : # of new strategic Dutch investments in agribusiness and agri-finance	0	6	n.av.	8	17	Embassy data
Indicator 2: # of agri-business managers trained and mentored in supported institutions	tbd	100		102		KMDP project reports
Indicator 3 : % growth of volume of agricultural loans withing 4 targetted financial insitutions	0 (2013)	25%	n.av.	n.av.	43%	project reports
Indicator 4: Value of imported seed material imported from NL	Eur 67,000 (2012)	Eur 10 mln.	Eur 67,000	EUR 1.5 mln	EUR 4.6 mln	Eurostat

Assessment of results achieved by NL across the entire Result area 3	More efficient markets and an improved business climate
A. Results achieved better than planned Reasons for result achieved:	There is significant Dutch private sector interest in agribusiness. Some investments are directly related to embassy programmes. Some interest is still tentative and has not leveraged significant extra private sector investment.
Implications for planning:	Efforts will be further strengthened. Embassy's opportunity to facilitate and broker investments in agribusiness has improved due to more dedicated capacity.

bis@minbuza.nl